

**Core Management & Budget Skills for
Indonesian Local Governments
Building Institutions for Good Governance**

**FISCAL YEAR 2003
PERFORMANCE-BASED
BUDGET ASSESSMENT**

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EXECUTIVE SUMMARY

The Core Management and Budget Skills for Indonesian Local Governments project, implemented by the International City/County Management Association (ICMA), has provided critical assistance to local governments in support of the decentralization process. Since October 2000 the project, also known as Building Institutions for Good Governance (BIGG), has made technical assistance and training available to selected local governments to improve budget and financial management skills, support improved democratic decision making, enable more efficient and effective delivery of community services, and increase citizen participation. Under the current Task Order, ICMA has worked continuously with 18 local governments to improve budget and financial management capabilities. The implementation of performance-based budgeting (PBB) in local governments has been the prescribed methodology for our financial management assistance to local governments.

This report describes an assessment of the participating local governments' implementation of PBB methodology in their 2003 budget submissions. The purpose of the PBB assessment was to provide the local governments with a tool that would aid them in the development of their 2004 PBBs.

ASSESSMENT RESULTS SUMMARY

The local governments and BIGG's training and field operations staff have demonstrated their strong commitment and have made tremendous progress. This progress is reflected in the assessment results.

The assessment scorecard for each of the Kota Intis¹ is to the right (for all items that received a score of "Meets Expectations" or better). The Kota Intis generally developed performance items that received a grade of "Meets Expectations." Notably, all Kota Intis received a grade of "Ideal" for at least one of their performance items. Kabupaten Pati and Kota Bukittinggi received two "Ideal" scores.

All cities received a grade of "Ideal" for their vision statement submissions since they all developed and submitted vision statements that were a qualitative description of an ideal long-term destination and were simple to remember and implement, in addition to submitting the vision statement found in the "Work Unit's Local Strategic Plan."

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa			
Vision Statement			X
Mission Statement		X	
Goals		X	
Objectives	X		
Program, Activities & Performance Indicators			

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Pati			
Vision Statement			X
Mission Statement		X	
Goals			X
Objectives	X		
Program, Activities & Performance Indicators			

¹ The Kota Intis are "hub" cities participating in the BIGG project. Each Kota Inti mentors two satellite cities.

All cities received a grade of “Exceeds Expectations” for their mission statement submissions since they all developed mission statements in addition to submitting the mission statement found in the “Work Unit’s Local Strategic Plan.” However, the mission statements they developed did not contain all the characteristics of an ideal mission statement. An ideal mission statement is a qualitative description of the ideal path to the vision statement and is simple to remember and implement.

Most of the cities received a grade of “Exceeds Expectations” for their goals since they contained at least two of the four characteristics of an ideal goal. Kabupaten Pati received a grade of “Ideal” for submitting goals with all four characteristics of an ideal goal. An ideal goal should contain the name of a program, describe the service(s) that the program delivers, identify the customer(s) to whom the service(s) is being delivered, and relate the program’s desired accomplishment(s).

All cities received a grade of “Exceeds Expectations” for their objectives since they contained an action, were simple, and were realistic. It was assumed that all the objectives had been agreed upon. In addition to these characteristics, an ideal objective identifies a measure and a timeframe.

Except for Kota Bukittinggi, programs, activities, and performance indicators were problematic for the remaining cities. All cities submitted these items, which resulted in all of them receiving at least a grade of “Minimum Acceptable.” Kabupaten Gowa, Kabupaten Sukoharjo, and Kota Samarinda received a grade of “Exceeds Minimum Acceptable” because they developed and submitted at least one performance indicator that contained all the ideal characteristics. Kota Samarinda received a grade of “Meets Expectations” since it developed and submitted at least two performance indicators that contained all the ideal characteristics. Kota Bukittinggi mastered this performance item by developing and submitting performance indicators that contained a performance measure and performance target for each indicator.

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kota Bogor			
Vision Statement			X
Mission Statement		X	
Goals		X	
Objectives	X		
Program, Activities & Performance Indicators			

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kota Bukittinggi			
Vision Statement			X
Mission Statement		X	
Goals	X		
Objectives	X		
Program, Activities & Performance Indicators			X

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Sukoharjo			
Vision Statement			X
Mission Statement		X	
Goals		X	
Objectives	X		
Program, Activities & Performance Indicators			

Assessment Scale →	Meets Expectations	Exceeds Expectations	Ideal
Kota Samarinda			
Vision Statement			X
Mission Statement		X	
Goals		X	
Objectives	X		
Program, Activities & Performance Indicators	X		

ASSESSMENT CONCLUSION

Given the timeframe and circumstances in which the fiscal 2003 PBBs were developed, the Kota Intis and BIGG's training and field operations staff performed as expected with each Kota Inti achieving a grade of "Meets Expectations" or better for four of the five performance items evaluated. Impressive but also unexpected were the number of "Ideal" grades, eight in total. The scorecard for each Kota Inti reflects the tremendous progress made by all.

Despite this progress, the assessment indicated that most cities had difficulty developing performance indicators that met expectations. This is unsurprising because good performance indicators are by far the most difficult PBB item to develop under KepMen 29's current guidelines. Improving cities' ability to develop good performance indicators will have a spillover effect in the development of good objectives since both require a measure and timeframe.

Accordingly, to assist the cities in receiving a minimum grade of "Meets Expectations" for all their performance items in the fiscal year 2004 PBB assessment, training in year three of the BIGG project should focus on the following items:

- Developing good performance measures. Cities should develop measures that, in addition to meeting other criteria such as usefulness, are a description of the performance targets. For example, "Average increase in per capita income" is a description of the performance target "10%."
- Developing good performance targets. Cities should only develop targets for which data are available.
- Developing good performance indicators. Cities should develop indicators that have well-defined performance measures and performance targets.
- Establishing strong links between performance items. For example, outcomes should be a result of outputs.
- Developing outcome, benefit, and impact performance indicator(s) that are the same for each activity within a program. Currently, each activity is required to have an outcome, benefit, and impact performance indicator(s). The definition of these performance indicators at the activity level rather than the program level makes them difficult to develop and, in many cases, meaningless.
- Providing continued training in the development of vision statements, mission statements, goals, and objectives.

The 2003 performance-based budget assessment establishes a base against which to evaluate the performance-based budgets of 2004 and future fiscal years. This assessment tool will provide the cities with a method to measure their progress, identify possible areas of improvement, and set goals for the future as they undertake the long-term process of implementing a PBB system.

2003 PERFORMANCE-BASED BUDGET ASSESSMENT

The Core Management and Budget Skills for Indonesian Local Governments project, implemented by the International City/County Management Association (ICMA), has provided critical assistance to local governments in support of the decentralization process. Since October 2000 the project, also known as Building Institutions for Good Governance (BIGG), has made technical assistance and training available to selected local governments to improve budget and financial management skills, support improved democratic decision making, enable more efficient and effective delivery of community services, and increase citizen participation. Under the current Task Order, ICMA has worked continuously with 18 local governments to improve budget and financial management capabilities. The implementation of performance-based budgeting (PBB) in local governments has been the prescribed methodology for our financial management assistance to local governments.

This document reports on an assessment of the participating local governments' implementation of PBB methodology in their 2003 budget submissions. The purpose of the PBB assessment was to provide the local governments with a tool that would aid them in the development of their 2004 PBBs.

1 WHAT IS A PBB?

A PBB is a strategic plan that projects the expenditures required to implement the plan. The components of a PBB are a vision statement, a mission statement, goals, objectives, programs, and activities. (In this document, these components are referred to as performance items.) To track progress in implementing the PBB, activities are required to have performance indicators that include a performance measure and target. The five categories of performance indicators measure inputs, outputs, outcomes, benefits, and impacts.



A PBB is similar to an automobile in that its purpose is to provide transport from point A to destination B. Through its mission statement, goals, objectives, programs, and activities, a PBB moves a local government to the ideal destination described in its vision statement. Programs and activities provide the fuel for this journey, with the mission statement acting as the highway that must be traveled. Goals are scattered along the highway like towns, with objectives acting as kilometer markers that are measurable increments between each town. Both goals and objectives are achievements that are necessary to implement the PBB. Progress in implementing a PBB is monitored via a dashboard that houses input, output, outcome, benefit, and impact performance indicators (warning lights). A warning light is illuminated anytime a performance indicator is in jeopardy.

Under the BIGG project, ICMA's approach to performance-based budgeting has the following features:

- **Justification for Expenditures.** The PBB links the local governments' expenditures to an adopted vision statement, mission statement, goals, objectives, and programs. Objectives must be quantifiable, and each activity must be linked to specific performance measures and performance targets.
- **Maximum Efficiency and Effectiveness.** All departments will be expected to provide effective services that meet the objectives at the lowest possible long-term cost.
- **Fulfillment of Community Needs.** Local governments will strive to ensure that their services keep pace with the dynamic needs of the community.
- **Priority of Current Obligations.** Local governments will give priority to maintaining existing services and facilities before funding new or expanded programs.
- **Reflection of Full Costs.** Department budgets should reflect the full cost of providing services in the coming year.
- **Justification of Unusual Cost Increases.** Proposed budget increases that exceed inflation must be fully justified.

2 ASSESSMENT FRAMEWORK

2.1 Context

Local governments took over responsibility for budget preparation in January 2001. On June 10, 2002, Ministry of Home Affairs decreed a new system of financial management through KepMen 29. KepMen 29 provides Indonesian local governments with a framework for developing performance-based budgets (PBBs) using forms found therein. This framework converts traditional routine and development budgets into a consolidated operating and capital investment budget.

Prior to KepMen 29, ICMA necessarily delivered BIGG's performance-based budgeting training at a conceptual level due to the lack of an established standard. KepMen 29 provided forms and guidelines but contained several elements that were not consistent with the methodology needed to implement PBB, which caused some difficulties. To be consistent with KepMen 29, ICMA had to revamp BIGG's training and field operations with almost no lead time but was able to provide assistance that resulted in the citywide implementation of PBB for all participating local governments.

The promulgation of KepMen 29 on June 10, 2002, affected the timing of the PBB assessment. Ideally, any feedback on the PBBs developed by the local governments should have been received prior to any kind of official review. Instead, KepMen 29 required many of the local governments to modify their PBBs to meet the new regulations, and there was little opportunity to assess the PBBs at that time.

Given the above, this budget assessment should be viewed in the following context:

- Local governments had less than two years of training in performance-based budgeting concepts as they went about preparing the fiscal year 2003 PBBs.
- The performance-based budgets in this assessment were developed using the guidelines and forms contained in KepMen 29. Local governments and ICMA/BIGG's training and field operations staff had less than six months to become familiar with KepMen 29 and its forms and to prepare the fiscal year 2003 performance-based budgets using them.
- In some instances, KepMen 29 conflicted with the training provided by BIGG and other projects in which the local governments had participated.

2.2 Objective

The PBB assessment evaluated 2003 submissions in order to provide the local governments with a tool that will aid them in the development of their 2004 PBBs. The PBB assessment evaluated how well the local governments defined the following items:

- Performance items: vision statement, mission statement, goals, objectives, programs, and activities.
- Performance measures and performance targets for each performance indicator: input, output, outcome, benefit, and impact.

In addition, the PBB assessment evaluated how well the local governments defined the relationship between programs and activities and the relationship between each of the Performance Indicators. Where available, the PBB assessment also commented on the relationship between the Performance Items developed as part of the PBB and the performance items found in the Work Unit's Local Strategic Plan.

2.3 Methodology

This assessment was performed on the fiscal year 2003 PBBs submitted by the cities (see table to the right) participating in the BIGG project in calendar year 2002. All of them were developed using the guidelines contained in KepMen 29. Under the assumption that the Kota Intis' fiscal year 2003 PBBs are representative of the remaining cities, the discussion in this report is limited to the Kota Intis: Kabupaten Gowa, Kabupaten Pati, Kabupaten Sukoharjo, Kota Bogor, Kota Bukittinggi, and Kota Samarinda.

	Year 1	Year 2
Kabupaten	Bogor Gowa Jember Takalar	Bulukumba Padang Panjang Padang Pariaman Pati Sleman Sukoharjo
Kota	Bandung Bukittinggi Depok Kediri Makassar	Balikpapan Bogor Samarinda

For each local government, one work unit's PBB was assessed. The work unit budgets assessed are meant to be a representative sample of local government PBBs. The selected work unit for each local government is listed in the table to the right.

The PBB assessment evaluated how well the local governments' selected work unit defined the following:

- Performance items: vision statement, mission statement, goals, objectives, programs, and activities.
- Performance measures and performance targets for each performance indicators: input, output, outcome, benefit, and impact.

Local Government		Work Unit
Kabupaten	Bogor	Health
	Bulukumba	Bappeda
	Gowa	Irrigation
	Jember	Agriculture
	Padang Panjang	Irrigation
	Padang Pariaman	Bappeda
	Pati	Bappeda
	Sleman	Bappeda
	Sukoharjo	Bappeda
	Takalar	Spatial Planning
Kota	Balikpapan	Transportation
	Bandung	Bappeda
	Bogor	Finance
	Bukittinggi	Agriculture
	Depok	Bappeda
	Kediri	Health
	Makassar	Bappeda
	Samarinda	Transportation

2.4 Five-Tiered Scale

While providing guidelines for the development of PBBs, KepMen 29 did not include objective criteria for assessing the budgets. As part of the assessment, a set of ideal characteristics for each performance item was identified. The budget submissions were then assessed according to a five-tiered scale: Minimum Acceptable, Exceeds Minimum Acceptable, Meets Expectations, Exceeds Expectations, and Ideal. The requirements to achieve each grade are defined differently for each performance item (vision; mission; goals; objectives; and programs, activities, and performance indicators). The assessment scale for each performance item is defined in the discussion of that item and is summarized in the following table:

Performance Item → Scale	Vision	Mission	Goals	Objectives	Programs, Activities, & Performance Indicators
Minimum Acceptable	Not applicable because the instructions contained in KepMen 29 require the kotas and kabupatens to use the "Work Unit's Vision according to what has been stated in the Local Strategic Plan."	Not applicable because the instructions contained in KepMen 29 require the kotas and kabupatens to use the "Work Unit's Mission according to what has been stated in the Local Strategic Plan."	Submits at least one goal.	Submits at least one objective.	Submits at least one program. Submits at least one activity in that program. Submits the performance indicators for that activity.
Exceeds Minimum Acceptable			Meets the "Minimum Acceptable" criteria. On average, submits a goal(s) that contains one of the components of an ideal goal.	Meets the "Minimum Acceptable" criteria. On average, the objective contains an action. It is assumed that every objective has been agreed upon.	Meets the "Minimum Acceptable" criteria. On average, the program accurately summarizes its activities. On average, at least one of the performance indicators meets its assessment criteria.

Performance Item → Scale	Vision	Mission	Goals	Objectives	Programs, Activities, & Performance Indicators
Meets Expectations	Submits the “ <i>Work Unit’s Vision according to what has been stated in the Local Strategic Plan.</i> ”	Submits the “ <i>Work Unit’s Mission according to what has been stated in the Local Strategic Plan.</i> ”	Meets the “Exceeds Minimum Acceptable” criteria. On average, submits a goal(s) that contains two of the components of an ideal goal.	Meets the “Exceeds Minimum Acceptable” criteria. On average, the objective is simple. On average, the objective is realistic.	Meets the “Exceeds Minimum Acceptable” criteria. On average, at least two of the performance indicators meet their assessment criteria.
Exceeds Expectations	Meets the “Meets Expectations” criteria. Submits a vision statement in addition to the “ <i>Work Unit’s Vision according to what has been stated in the Local Strategic Plan.</i> ”	Meets the “Meets Expectations” criteria. Submits a vision statement in addition to the “ <i>Work Unit’s Mission according to what has been stated in the Local Strategic Plan.</i> ”	Meets the “Meets Expectations” criteria. On average, submits a goal(s) that contains three of the components of an ideal goal.	Meets the “Meets Expectations” criteria. On average, the objective contains either a measure or timeframe.	Meets the “Meets Expectations” criteria. On average, at least three of the performance indicators meet their assessment criteria.
Ideal	Meets the “Exceeds Expectations” criteria. Submits a vision statement that is a qualitative description of an ideal long-term destination and is simple to remember and implement.	Meets the “Exceeds Expectations” criteria. Submits a mission statement that is a qualitative description of the ideal path to the vision statement and is simple to remember and implement.	Meets the “Exceeds Expectations” criteria. On average, submits a goal(s) that contains all four components of an ideal goal.	Meets the “Exceeds Expectations” criteria. On average, the objective contains a measure and time-frame that makes it specific.	Meets the “Exceeds Expectations” criteria. On average, all the performance indicators meet their assessment criteria.

3 ASSESSMENT RESULTS BY PERFORMANCE ITEM

3.1 Vision Statement

A vision statement is a qualitative description of the work unit’s ideal destination and is similar to chasing a rainbow in that the work unit constantly strives to reach the ideal destination but never does. Because of this elusiveness, a vision statement should theoretically never change.



One example is Kabupaten Sukoharjo’s vision statement: “A Sukoharjo that is MAKmur (Developed, Safe, Constitutional, Superior, Stable, Orderly), prosperous, self-sufficient, and religious.” It is toward these qualities that Sukoharjo will continuously strive.

A useful vision statement is simple and easy to remember. If employees of a work unit cannot remember the vision statement, it will be difficult for them to all head in the right direction. Also, a complex vision statement is cumbersome to implement because there are too many aspects to address. After reading the following vision statement from a United States university, the simplicity of Kabupaten Sukoharjo’s vision statement can be appreciated:

We at XYZ University strive to create a campus climate in which the will to build trust among people—and groups of people—is widely shared, and opportunities for enhancing diversity and a sense of community are encouraged and supported. We stand committed to fostering and sustaining a pluralistic, inclusive environment that empowers all members of the campus community to achieve their highest potential without fear of prejudice or discrimination.

We strive to build an exemplary educational community characterized by:

- An intellectual environment that is both challenging and nurturing,
- Encouragement and support for curriculum and pedagogy dedicated to diversity issues,
- A commitment to social justice and equality,
- A respect for human diversity, and
- A genuine appreciation of how the many differences among us enrich a liberal arts and sciences university.

We encourage every member of our university community to embrace the underlying values of this vision, and to demonstrate a strong commitment to supporting, retaining, and attracting students, faculty, and staff who reflect the diversity of our larger society.”

In summary, an ideal vision statement is:

- A qualitative description of an ideal long-term destination
- Simple to remember and implement.

The assessment scale of the Kota Intis’ vision statements appears in the table below:

Assessment Scale → Name of City	Minimum Acceptable	Exceeds Minimum Acceptable	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa	Not Applicable	Not Applicable			X
Kabupaten Pati					X
Kabupaten Sukoharjo					X
Kota Bogor					X
Kota Bukittinggi					X
Kota Samarinda					X

Note: Attachment I contains the actual submissions.

The assessment scale for a vision statement is defined below:

- **Minimum Acceptable** and **Exceeds Minimum Acceptable** are not applicable because the instructions contained in KepMen 29 require the local governments to use the “Work Unit’s Vision according to what has been stated in the Local Strategic Plan.”
- **Meets Expectations** – Submits the “Work Unit’s Vision according to what has been stated in the Local Strategic Plan.”

- **Exceeds Expectations** –
 - ? Meets the “Meets Expectations” criteria, and
 - ? Submits a vision statement in addition to the “Work Unit’s Vision according to what has been stated in the Local Strategic Plan.”
- **Ideal** –
 - ? Meets the “Exceeds Expectations” criteria, and
 - ? Submits a vision statement that is a qualitative description of an ideal long-term destination and is simple to remember and implement.

3.2 Mission Statement

A mission statement is a qualitative description of how the work unit will reach its ideal destination and is similar to a highway in that the work unit travels along it to reach its vision. It is through this relationship that the mission statement supports the vision statement.



Mission statements do not change since it would be difficult to follow a constantly changing path to the vision. Kabupaten Pati’s mission statement for its planning program, “Improving the quality of human resources in the planning area, improving the participative planning process, and improving the role of planning in order to achieve good governance,” is an example of a mission statement that describes the path to the vision statement (“Achievement of reliable and professional planning”) and includes qualities like “participative planning.”

If the work unit’s employees are traveling on different paths to achieve the vision, some of them may not be heading in the right direction. Long mission statements are difficult for employees to remember, and complex mission statements are difficult to implement. In general, mission statements should be simple like Kabupaten Pati’s. Its mission statement could further be simplified to “Good governance” and still encompass all the aspects of the current mission statement. After reading the following mission statement from another United States university, the simplicity and ease of implementing Kabupaten Pati’s mission statement can be appreciated:

ABC University will serve the educational needs of a diverse region by providing a mixture of liberal arts and professional programs leading to associate, baccalaureate and graduate degrees. The university also will serve transfer and transient students as well as those seeking certification and licensure. The university will maintain a strong core of general education as the foundation of all its academic programs. The university, through University College, will provide a student-centered developmental program for those students who are unprepared for the rigors of college work. The university will serve the educational, cultural, and economic needs of its region by providing credit and non-credit outreach programs. In all these endeavors, the university will strive to meet the needs of previously underserved populations in its service area.

In summary, an ideal mission statement is:

- A qualitative description of the ideal path to the vision
- Simple to remember and implement.

The assessment scale for the Kota Intis' mission statements appears in the table below:

Assessment Scale → Name of City	Minimum Acceptable	Exceeds Minimum Acceptable	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa	Not Applicable	Not Applicable		X	
Kabupaten Pati				X	
Kabupaten Sukoharjo				X	
Kota Bogor				X	
Kota Bukittinggi				X	
Kota Samarinda				X	

Note: Attachment II contains the actual submissions.

The assessment scale for a mission statement is defined below:

- **Minimum Acceptable** and **Exceeds Minimum Acceptable** are not applicable because the instructions contained in KepMen 29 require the local governments to use the “Work Unit’s Mission according to what has been stated in the Local Strategic Plan.”
- **Meets Expectations** – Submits the “Work Unit’s Mission according to what has been stated in the Local Strategic Plan.”
- **Exceeds Expectations** –
 - ? Meets the “Meets Expectations” criteria, and
 - ? Submits a mission statement in addition to the “Work Unit’s Mission according to what has been stated in the Local Strategic Plan.”
- **Ideal** –
 - ? Meets the “Exceeds Expectations” criteria, and
 - ? Submits a mission statement that is a qualitative description of the ideal path to the vision and is simple to remember and implement.

3.3 Goals

Goals describe major milestones on the path (mission statement) that a work unit must pass as it travels toward the destination (vision statement). Without passing these milestones or towns, the work unit will be unable to reach its destination. A mission statement can be supported by many goals.



Goals describe the significance of implementing a program. The list of current goals changes from time to time as goals are completed or are no longer applicable. Kabupaten Pati’s statement, “The purpose of the local development program is to deliver coordinated, integrated, directed planning services to citizens of Kabupaten Pati so they can continue local development planning,” is a goal that must be completed to progress further down the path toward the vision statement. A goal is considered complete when its objectives (see the next section on Objectives) are achieved.

An ideal goal contains the following components:

- The name of the program (“...local development program...”),
- The service(s) that the program delivers (“...coordinated, integrated, directed planning services...”)
- The customer(s) to whom the service(s) is being delivered (“...citizens of Kabupaten Pati...”)
- The program’s desired accomplishment(s) (“...continue local development planning”).

Budget preparers can use the following template to develop ideal goals:

“The purpose of the [program name] is to provide/produce [specify product(s)/service(s)] to [identify customer(s)] so they can [name accomplishment].”

The assessment scale of the Kota Intis’ goals appears in the table below:

Assessment Scale →					
Name of City	Minimum Acceptable	Exceeds Minimum Acceptable	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa				X	
Kabupaten Pati					X
Kabupaten Sukoharjo				X	
Kota Bogor				X	
Kota Bukittinggi			X		
Kota Samarinda				X	

Notes:

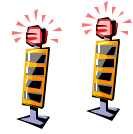
1. Attachment III contains the actual submissions and alternatives that meet the ideal assessment criteria
2. Up to four goals for a work unit were evaluated.

The assessment scale for a goal is defined below:

- **Minimum Acceptable** – Submits at least one goal.
- **Exceeds Minimum Acceptable**
 - ? Meets the “Minimum Acceptable” criteria, and
 - ? On average, submits a goal(s) that contains one of the components of an ideal goal.
- **Meets Expectations**
 - ? Meets the “Exceeds Minimum Acceptable” criteria, and
 - ? On average, submits a goal(s) that contains two of the components of an ideal goal.
- **Exceeds Expectations** –
 - ? Meets the “Meets Expectations” criteria, and
 - ? On average, submits a goal(s) that contains three of the components of an ideal goal.
- **Ideal**
 - ? Meets the “Exceeds Expectations” criteria, and
 - ? On average, submits a goal(s) that contains all four of the components of an ideal goal.

3.4 Objectives

Objectives are the measurable steps that must be completed to achieve a goal. Like kilometer markers that measure the distance between towns, objectives measure the progress toward a goal. An objective is specific and concrete because it contains a means to measure an action and defines a timeframe in which the action must be completed. If the measure has been met in the specified timeframe then the objective has been achieved; if not, then the objective has not been achieved.



For example, Kabupaten Samarinda's objective, "Increase bus ridership by 10% over the next 5 years," contains both a measure (10%) and a timeframe (over the next 5 years) for a specific action ("Increase bus ridership"). If at the end of the fifth year bus ridership increases by 10%, the objective has been achieved.

The following are the characteristics of an ideal (**SMART**) objective:

- **Specific**
- **Measurable**
- **Agreed upon**
- **Realistic**
- **Time and Cost bound.**

Because they are specific and concrete, objectives hold a work unit accountable for the stated action ("Increase bus ridership"). It would be unfair to hold the work unit accountable for an objective that is unrealistic, such as expecting a work unit to "Increase bus ridership by 1,000% over 1 year." It would also be unfair to hold the work unit accountable for an objective that it did not agree to, since a unilaterally imposed objective could be unrealistic.

The assessment scale for the Kota Intis' objectives appears in the table below:

Assessment Scale →					
Name of City	Minimum Acceptable	Exceeds Minimum Acceptable	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa			X		
Kabupaten Pati			X		
Kabupaten Sukoharjo			X		
Kota Bogor			X		
Kota Bukittinggi			X		
Kota Samarinda			X		

Notes:

1. Attachment IV contains the actual submissions and alternatives that meet the ideal assessment criteria.
2. Up to four objectives for a work unit were evaluated.

The assessment scale for an objective is defined below:

- **Minimum Acceptable** – Submits at least one objective.
- **Exceeds Minimum Acceptable** –
 - ? Meets the “Minimum Acceptable” criteria, and
 - ? On average, submits an objective(s) that contains an action, and
 - ? Submits objectives that have been agreed upon (it is assumed that every objective has been agreed upon).
- **Meets Expectations** –
 - ? Meets the “Exceeds Minimum Acceptable” criteria, and
 - ? On average, submits a simple objective(s), and
 - ? On average, submits a realistic objective(s).
- **Exceeds Expectations** –
 - ? Meets the “Meets Expectations” criteria, and
 - ? On average, submits an objective(s) that contains either a measure or timeframe.
- **Ideal** –
 - ? Meets the “Exceeds Expectations” criteria, and
 - ? On average, submits an objective(s) that contains a measure and timeframe that make the objective specific.

3.5 Programs, Activities, and Performance Indicators

Programs (e.g., Kabupaten Sukoharjo’s Local Development Planning program) are made up of services that are delivered to customers in an effort to achieve a work unit’s objective. Activities are the steps required to carry out a program. Programs and activities are needed to help a work unit achieve its objectives, just like fuel is needed to move a car from one kilometer marker to the next.



The set of current programs and activities changes from time to time as they are completed or are no longer applicable. Performance indicators track the progress of a program. Each performance indicator (reporting on inputs, outputs, outcomes, benefits, or impacts) is comprised of a performance measure and a performance target and is similar to an indicator light on a dashboard that illuminates if a car’s function is not working properly. If a program is not going as planned, one or more of the indicators may alert the work unit to the problem. It is important to catch problems early because the failure to achieve one performance indicator can result in a cascade effect that prevents the work unit from achieving subsequent performance indicators.

A performance measure describes a performance target. For example, an output performance indicator might have a performance measure of “Number of houses constructed” with a performance target of “10 houses.” Like objectives, performance indicators are specific and concrete and can be used to hold a work unit accountable for completing its activities. It would be unfair to hold a work unit accountable for achieving the performance indicators if they are not realistic and have not been agreed upon.

Inputs (e.g., money, labor, and equipment) are the resources required to achieve an output (e.g., a well, a road, a house). Outputs are the products, or physical manifestations of the inputs, that are necessary to implement the activity. For example, an output indicator containing a performance measure of “Number of water wells created this year” and a performance target of “10 wells” may require inputs consisting of Rp. 100,000, 10 people, and 5 trucks.

Outcomes occur when the outputs are employed to implement an activity. An outcome indicator containing a performance measure of “Liters of water produced annually” and a performance target of “200,000 liters” can only be achieved if “10 wells are created.”

Benefits identify what is affected by the outcome. The production of 200,000 liters of water a year increases the per acre production of rice by 1% for each of the next five years. In this example the benefit performance indicator has a performance measure of “Increase in per acre rice production for each of the next 5 years” and a performance target of “1%.”

Impacts identify why the benefit is important. An increase in rice production is important because it has a positive impact on farmers’ income. In this example the impact performance indicator has a performance measure of “Average increase in farmers’ income at the end of 5 years” and a performance target of “2.5%.”

The assessment scale for the Kota Intis’ programs, activities, and performance indicators appears in the table below:

Assessment Scale →					
Name of City	Minimum Acceptable	Exceeds Minimum Acceptable	Meets Expectations	Exceeds Expectations	Ideal
Kabupaten Gowa		X			
Kabupaten Pati	X				
Kabupaten Sukoharjo		X			
Kota Bogor	X				
Kota Bukittinggi					X
Kota Samarinda			X		

Notes:

1. Attachment V contains the actual submissions and alternatives that meet the ideal assessment criteria
2. One activity in one program for a work unit was evaluated.

The assessment scale for programs, activities, and performance indicators is defined below:

- **Minimum Acceptable**
 - ? Submits at least one program, and
 - ? Submits at least one activity in that program, and
 - ? Submits the performance indicators for that activity.
- **Exceeds Minimum Acceptable**
 - ? Meets the “Minimum Acceptable” criteria, and
 - ? On average, submits a program(s) that accurately summarizes its activities, and
 - ? On average, the program(s) achieves at least one of its performance indicators.

- **Meets Expectations**
 - ? Meets the “Exceeds Minimum Acceptable” criteria, and
 - ? On average, the program(s) achieves at least two of its performance indicators.
- **Exceeds Expectations** –
 - ? Meets the “Meets Expectations” criteria, and
 - ? On average, the program(s) achieves at least three of its performance indicators.
- **Ideal**
 - ? Meets the “Exceeds Expectations” criteria, and
 - ? On average, the program(s) achieves all its performance indicators.

4 ASSESSMENT CONCLUSION

Given the timeframe and circumstances in which the fiscal 2003 PBBs were developed, the Kota Intis and BIGG’s training and field operations staff performed as expected with each Kota Inti achieving a grade of “Meets Expectations” or better for four of the five performance items evaluated. Impressive but also unexpected were the number of “Ideal” grades, eight in total. The scorecard for each Kota Inti reflects the tremendous progress made by all.

Despite this progress, the assessment indicated that most cities had difficulty developing performance indicators that met expectations. This is unsurprising because good performance indicators are by far the most difficult PBB item to develop under KepMen 29’s current guidelines. Improving cities’ ability to develop good performance indicators will have a spillover effect in the development of good objectives since both require a measure and timeframe.

Accordingly, to assist the cities in receiving a minimum grade of “Meets Expectations” for all their performance items in the fiscal year 2004 PBB assessment, training in year three of the BIGG project should focus on the following items:

- Developing good performance measures. Cities should develop measures that, in addition to meeting other criteria such as usefulness, are a description of the performance targets. For example, “Average increase in per capita income” is a description of the performance target “10%.”
- Developing good performance targets. Cities should only develop targets for which data are available.
- Developing good performance indicators. Cities should develop indicators that have well-defined performance measures and performance targets.
- Establishing strong links between performance items. For example, outcomes should be a result of outputs.
- Developing outcome, benefit, and impact performance indicator(s) that are the same for each activity within a program. Currently, each activity is required to have an outcome, benefit, and impact performance indicator(s). The definition of these performance indicators at the activity level rather than the program level makes them difficult to develop and, in many cases, meaningless.

- Providing continued training in the development of vision statements, mission statements, goals, and objectives.

The 2003 performance-based budget assessment establishes a base against which to evaluate the performance-based budgets of 2004 and future fiscal years. This assessment tool will provide the cities with a method to measure their progress, identify possible areas of improvement, and set goals for the future as they undertake the long-term process of implementing a PBB system.

ATTACHMENT I

VISION STATEMENT

Kabupaten Gowa

Submitted by Work Unit

To fulfill the needs of the community for irrigation water as regards four aspects (time, place, quantity, and quality) on a sustainable basis so as to ensure the well-being of the community

Found in Work Unit's Local Strategic Plan

In 2010 Kabupaten Gowa is...

The realization of Kabupaten Gowa as a region which is equal to the most developed region in Indonesia and has become the main region in South Sulawesi Province in terms of making its community mentally and physically prosperous

Kabupaten Pati

Submitted by Work Unit

Achievement of reliable and professional planning

Found in Work Unit's Local Strategic Plan

Establishment of medium and small economic entities in Kabupaten Pati, which is able to generate community welfare marked by human resources improvement in the field of education, public health, and income supported by adequate public service facilities

Kabupaten Sukoharjo

Submitted by Work Unit

Planning local development in a consolidated, responsive, participatory, and sustainable manner

Found in Work Unit's Local Strategic Plan

A Sukoharjo that is MAKMUR, prosperous, self-sufficient, and religious

(MAKMUR = Developed, Safe, Constitutional, Stable, Superior, Orderly)

Kota Bogor

Submitted by Work Unit

The creation of a professional Bogor City Secretariat that is capable of supporting the development of the garden city into an international city

Found in Work Unit's Local Strategic Plan

Garden city toward international city

Kota Bukittinggi

Submitted by Work Unit

The creation of prosperity for farmers through the use of technology that improves crop varieties and is environmentally friendly

Found in Work Unit's Local Strategic Plan

The creation of prosperity for the community through the use of local prime potential inspired by religion and the tradition of “sara mangato adaik mamakai”

Kota Samarinda

Submitted by Work Unit

Creation of orderly, smooth, comfortable, safe, and affordable communications systems

Found in Work Unit's Local Strategic Plan

Realization of Kota Samarinda as a service, industrial, trade, and residential city that supports the natural environment in order to be a religious, qualified, and prosperous community

ATTACHMENT II

MISSION STATEMENT

Kabupaten Gowa

Submitted by Work Unit

- Improving awareness regarding the operation and maintenance of water infrastructure and facilities
- Increasing own source revenue through the exploitation of water resources
- Improving the quality of human resources in the context of optimizing the use of water resources
- Improving the management of water resources.

Found in Work Unit's Local Strategic Plan

- To be an attractive region for capital investment through development of a partnership with Kota Makassar
- To be a pioneer in regional partnership development and cross-region cooperation, especially for regions along the south coast of South Sulawesi Province.
- To optimize management and utilization of natural resource potential by adhering to development principles that are sustainable and environmentally friendly
- Developing self-reliant financing of development through intensification, extension, and diversification of development financing sources.
- Achievement of a better community life, judging from material aspects like an increase in per capita income, and from spiritual aspects like improvement of religion toward a more religious life.

Kabupaten Pati

Submitted by Work Unit

- Improving the quality of human resources in the planning area
- Improving the participative planning process
- Improving the role of planning in order to achieve good governance.

Found in Work Unit's Local Strategic Plan

- Stimulate regional self-dependence by developing local and community partnerships among regions and communities in the small and medium enterprise sector.
- Develop a democratic mechanism for local government governance
- Develop organizational, equipment, and financial sources and improve capability to finance public services and facilities creatively and optimally
- Make efforts to provide excellent service to the community.

Kabupaten SukoharjoSubmitted by Work Unit

- Planning local development based upon the aspirations and participation of the citizens
- Coordinating with other relevant agencies and stakeholders in the implementation of development planning
- Carrying out research and development
- Monitoring and evaluating the results of development planning as the basis for preparing subsequent plans.

Found in Work Unit's Local Strategic Plan

- Apply the Pancasila consistently in the life of community, nation, and state
- Improve the popular economy, which depends on the improvement of food preservation and small & medium enterprises.
- Improve economic facilities and infrastructure
- Establish human resources that are qualified; professional; and free of corruption, collusion, and nepotism
- Establishment of the supremacy of law
- Creation of safe, peaceful, orderly, and pleasant local conditions.

Kota BogorSubmitted by Work Unit

- Creating effective and efficient government management institutions and mechanisms
- Improving the services provided by the Secretariat to DIBALE.

Found in Work Unit's Local Strategic Plan

- Establish a Kota Bogor that is clean, beautiful, and pleasant and also create a Kota Bogor community that is religious and has faith in moral power
- Achieve a prosperous community that is democratic, productive, and participative
- Establish good governance and community affairs that are mandated and made transparent by the existence of effective controls among government officials and the community (good governance)
- Enhance the community as the principal economic base and enhance the modern economy as the supporting base for the community's economic growth
- Strive to meet international standards in all aspects of community life, especially in public services and safety, by maintaining the nation's cultural values.

Kota BukittinggiSubmitted by Work Unit

- Optimizing the use of natural resources, human resources, and technology in the agricultural sphere
- Improving the safety of agricultural production for consumers and the environment
- Developing production centers for improved crop varieties
- Creating professional human resources so as to provide first-class services to farmers.

Found in Work Unit's Local Strategic Plan

- Establish a cultured and traditional community based on faith and devotion
- Improve the professionalism of human resources in order to implement good governance
- Improve the quality and quantity of economic facilities and infrastructure that support the city's areas of highest potential
- Increase Gross Regional Domestic Product (GRDP).

Kota SamarindaSubmitted by Work Unit

- Improving the professionalism of communications personnel
- Improving communications infrastructure and facilities
- Improving the participatory role of the community
- Integrating inter- and intra-city modes of transportation.

Found in Work Unit's Local Strategic Plan

- Improve facilities and infrastructure of service, industrial, trade, and residential sectors
- Preserve the environment in order to support sustainable development
- Improve the quality of human resources, which are religious and expert in science and technology.

ATTACHMENT III

GOALS

Kabupaten Gowa

Submitted by Work Unit

1. Ensuring the more effective use of water resources in a fair and equitable manner
2. Improving the quality and quantity of water, and the participatory role of community institutions in the management of primary water resources
3. Improving the competence of Water Resources Department personnel
4. Improving public welfare through proper management of water

Alternative Goal

The purpose of *[the conservation program]* **is to** *[ensure water resources]* **for** *[the citizens of Kabupaten Gowa]* **so** *[use is equitable and effective].*

The purpose of *[the conservation program]* **is to** *[manage of primary water resources]* **for** *[the citizens of Kabupaten Gowa]* **to** *[improve the quality and quantity and the community's participatory role].*

The purpose of *[the conservation program]* **is to** *[improve the competence of Water Resources Department personnel]* **for** *[the citizens of Kabupaten Gowa]* **so they can** *[improve their standard of living].*

The purpose of *[the conservation program]* **is to** *[properly manage water]* **for** *[the citizens of Kabupaten Gowa]* **to** *[improve public welfare].*

Kabupaten Pati

Submitted by Work Unit

1. Implementation of a coordinated, integrated, directed, and continuous local development planning unit, which is also able to be a professional planning agency

Alternative Goal

The purpose of *[the local development program]* **is to** *[deliver coordinated, integrated, directed planning services]* **to** *[citizens of Kabupaten Pati]* **so they can** *[continue local development planning].*

Kabupaten Sukoharjo

Submitted by Work Unit

1. Proper local planning
2. Improving the participation of stakeholders in government and development

Alternative Goal

The purpose of *[the local planning program]* **is to provide** *[proper local planning]* **to** *[the citizens of Kabupaten Sukoharjo]* **so** *[that they can optimize development investments].*

The purpose of *[the local planning program]* **is to** *[improve the participation in government and development decisions]* **of** *[the citizens of*

Submitted by Work Unit

3. Monitoring development performance
4. Carrying out development in accordance with plans

Kota BogorSubmitted by Work Unit

1. Improving financial administration in the Secretariat so as to create orderly local financial administration

Kota BukittinggiSubmitted by Work Unit

1. Optimally exploiting human and natural resources
2. Applying agricultural technology
3. Increasing agricultural production that is safe for consumers and the environment
4. Developing production and agri-tourism centers

Alternative Goal

Kabupaten Sukoharjo **so they can** [play a significant role in the future development of the kabupaten].

The purpose of [the local planning program] **is to** [monitor development performance] **for** [the citizens of Kabupaten Sukoharjo] **so they can** [be assured that their natural resources will not be exploited].

The purpose of [the local planning program] **is to** [carry out development] **for** [the citizens of Kabupaten Sukoharjo] [in accordance with plans].

Alternative Goal

The purpose of [the financial administration program] **is to** [improve financial administration] **in** [the Secretariat] **so as to** [create orderly local financial administration].

Alternative Goal

The purpose of [the agriculture program] **is to** [optimize the exploitation of (the use of) human and natural resources] **for** [farmers of Kota Bukittinggi] **so they can** [optimize their crop yields].

The purpose of [the agriculture program] **is to** [apply agricultural technology] **for** [farmers of Kota Bukittinggi] **so they can** [optimize their crop yields].

The purpose of [the agriculture program] **is to** [increase agricultural production] **for** [farmers of Kota Bukittinggi] **so** [consumers will have a more assured source of food supply].

The purpose of [the agriculture program] **is to** [develop production and agri-tourism centers] **for** [farmers of Kota Bukittinggi] **so**

Submitted by Work Unit**Kota Samarinda**Submitted by Work Unit

1. Improving services to the public
2. Optimizing transportation infrastructure and facilities' efficiency and effectiveness
3. Improving awareness on the part of the public in creating orderly, smooth, comfortable, safe, and affordable communications systems
4. Ensuring ease in transferring between different transportation systems

Alternative Goal

they can [*optimize their crop yields*].

Alternative Goal

The purpose of [*the rapid transit program*] **is to** [*improve services*] **to** [*the citizens of Kota Samarinda*] **so** [*more public transportation is available*].

The purpose of [*the rapid transit program*] **is to** [*optimize transportation infrastructure and facilities*] **to** [*the citizens of Kota Samarinda*] **so** [*that transportation is efficient and effective*].

The purpose of [*the rapid transit program*] **is to** [*improve awareness*] **to** [*the citizens of Kota Samarinda*] **so they can** [*create orderly, smooth, comfortable, safe, and affordable communications systems*].

The purpose of [*the rapid transit program*] **is to** [*ensure ease of transportation*] **to** [*the citizens of Kota Samarinda*] **so they can** [*transfer between different transportation systems*].

ATTACHMENT IV

OBJECTIVES

Kabupaten Gowa

Submitted by Work Unit

1. Making water resources available for agricultural and community requirements in highland plateau areas in the districts of Tinggimocong, Tompobulu, Bungaya, Biringbulu, and Tombolopao.

Missing² → S, M, T

2. Improving rice-growing potential through technical irrigation, semi-technical irrigation, and simple irrigation methods and extension of the area covered from 8,600 ha to 14,000 ha.

Missing → S, T

3. Encouraging public participation in the development and maintenance of water infrastructure and facilities.

Missing → S, M, T

4. Providing quality personnel in accordance with organizational requirements.

Missing → S, M, T

Alternative Objective

Increase the availability of water resources for agricultural and community requirements in highland plateau areas in the districts of Tinggimocong, Tompobulu, Bungaya, Biringbulu, and Tombolopao by 10% within 1 year.

Increase rice production yields by 10% over the next 5 years through technical irrigation, semi-technical irrigation, and simple irrigation methods from 8,600 ha to 14,000 ha area.

Hold one public meeting each month that the public is encouraged to attend to discuss the development and maintenance of water infrastructure and facilities.

Graduate 10 employees from the Water Resource Department's employee training program each year.

Kabupaten Pati

Submitted by Work Unit

1. Create a development plan that is:
 - Participative
 - Transparent
 - Accurate
 - Relevant
 - Accountable, and
 - Environmentally sound.

Missing → S, M, T

Alternative Objective

Create a development plan that increases outside investment by 15% over the next 10 years.

² Items identified as missing are components of the SMART criteria (**S**pecific, **M**easurable, **A**greed upon, **R**ealistic, and **T**ime and Cost bound) that were used to evaluate objectives.

Kabupaten SukoharjoSubmitted by Work Unit

1. The participation of the public in the local development process.
Missing → S, M, T
2. Improving stakeholders' sense of belonging.
Missing → S, M, T
3. Involving other agencies and stakeholders in the coordination of development planning.
Missing → S, M, T
4. Effectively monitoring and evaluating development so as to improve development performance.
Missing → S, M, T

Alternative Objective

- Increase the participation of the public in the local development process by holding one town meeting each month.
- Improve stakeholders' sense of belonging by increasing the percentage of people who vote by 10% each year.
- Involve other agencies and stakeholders in the coordination of development planning by holding one coordination meeting each week.
- Improve planning development performance by increasing the results of the performance evaluations by 10% over 1 year.

Kota BogorSubmitted by Work Unit

1. Increasing cross-sectoral collaboration in the development of the health sector.
Missing → S, M, T
2. Improving the management of negative impacts on health arising from development.
Missing → S, M, T
3. Increasing the contribution of other sectors to healthcare.
Missing → S, M, T
4. Improving the community's awareness of its responsibilities as regards environmental health.
Missing → S, M, T

Alternative Objective

- Increasing cross-sectoral collaboration in the development of the health sector by having a national conference of the applicable parties once every year.
- Reduce the increase in influenza cases in Kota Bogor by 10% each year.
- Require employers with more than 25 employees to provide health insurance to their employees each year.
- Reduce the liters of wastewater spilled into Kota Bogor's rivers by 10% each year.

Kota BukittinggiSubmitted by Work Unit

1. Improving the crop index.
Missing → S, M, T

Alternative Objective

- Improve the crop index by 10% over the next 5 years.

Submitted by Work Unit

2. 50% of farmers are able to adopt and apply agricultural technology.

Missing → S, M, T

3. Ensuring the quality and safety of agricultural production.

Missing → S, M, T

4. Developing attractive agricultural centers.

Missing → S, M, T

Alternative Objective

By adopting and applying agricultural technology farmers are able to increase their crop yields by 10% each year.

Reduce the number of safety-related incidents by 10% over the next 5 years.

Develop 10 attractive agricultural centers within the next 5 years.

Kota SamarindaSubmitted by Work Unit

1. Increase in the number of reliable and professional transportation personnel.

Missing → S, M, T

2. Provision of necessary facilities.

Missing → S, M, T

3. Improvement of 10% in the functioning of transportation infrastructure and facilities each year.

Missing → S, M, T

4. Reducing the level of violations and accidents by 0.5% per year.

Missing → Nothing

Alternative Objective

Increase the number of transportation personnel by 10% over the next 5 years.

Increase the number of communication circuits by 10% over the next 2 years.

Increase the bus ridership by 10% over the next 5 years.

None necessary

Restatement of Objective

Reduce the number of violations by .5% per year.

Reduce the number of accidents by .5% per year.

ATTACHMENT V

PROGRAMS, ACTIVITIES, AND PERFORMANCE INDICATORS

Kabupaten Gowa

Program

Development and Control – Drafting of the development plan and program for integrated water sources data collection for the short, medium, and long term

Activities

1. Gathering technical data for the irrigation network development plan ← **Activity Evaluated**
2. Planning irrigation network development, maintenance, and rehabilitation
3. Taking rainfall and hydrological records
4. Conducting mapping surveys for the irrigation program in the context of development, maintenance, and rehabilitation work
5. Preparing measurement data related to development, maintenance, and rehabilitation planning
6. Construction/rehabilitation of dykes in sub-districts
7. Assisting construction service for irrigation network development, rehabilitation, and maintenance
8. Preparing progress data on irrigation network development, rehabilitation, and maintenance
9. Reporting on the results of development, rehabilitation, and maintenance activities and other departments' activities

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	Related departments	4	Related departments	4
Output	Compose a program plan for irrigation network development, maintenance, and rehabilitation	Not provided	Number of irrigation program plans developed	1 plan
Outcome	Carry out the program plan for irrigation network development, maintenance, and rehabilitation.	Not provided	Number of irrigation program plans implemented	1 plan
Benefit	Smooth implementation of the development plan	None provided	Percentage increase in average farmer's income	10%
Impact	Increase farmers' income	None provided	Percentage increase in Gowa's GDP	10%

Kabupaten PatiProgram

Collecting data to be processed into information onto which to base policy decisions.

Activity

1. Collecting comprehensive material for 2003 local annual development planning ← **Activity Evaluated**

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	24 activities		Personnel Goods & Services Maintenance Travel	Rp. 50,000,000 Rp. 40,000,000 Rp. 30,000,000 Rp. 20,000,000
Output	Data on total activities that will be implemented by departments/units and institutions in Kabupaten Pati	Not provided	Number of activities for which data will be collected	24 activities
Outcome	Availability of planning data for activities that will be implemented by departments/units and institutions	Not provided	Number of data books distributed	100
Benefit	Composed of a directed development activity plan for a period of one year	None provided	Increase in the rice crop yield within the next 10 years	10%
Impact	Activity plan can be arranged according to an annual priority scale	None provided	Percentage increase in Pati's GDP over the next 10 years	10%

Kabupaten SukoharjoProgram

Local Development Planning

Activities

1. Empowerment of Bappeda's institutions ← **Activity Evaluated**
2. General planning of Kabupaten Sukoharjo's development for 2004
3. Development of the Local Annual Development Plan for 2004

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	People	25	People	25
	Reference books	12	Reference books	12
	Budget (Rp.)	141,198,000	Budget (Rp.)	141,198,000
Output	Development of an activity plan, financial management, and general administrative management	Smooth implementation of Bappeda's duties	Number of activity plans (for financial management and general administrative management) developed	1 activity plan
Outcome	Availability of activity plan, controlled financial management and orderly general administration	Not provided	Number of activity plans (financial management and general administrative management) distributed	1 activity plan
Benefit	<ul style="list-style-type: none"> ▪ Strong local development planning ▪ Supports the smooth implementation of Bupati/local government duties 	Bappeda's performance improves	Number of activity plans (financial management and general administrative management) distributed	1 activity plan
Impact	Increased planning quality and quantity	None provided	Percentage increase in Sukoharjo's average income.	10%

Kota BogorProgram

Local financial administration management

Activities

1. Local budget development for budget year 2003 ← **Activity Evaluated**
2. Local financial administration management
3. Development of the local budget report (quarters I, II, III, and IV)
4. Revision of the local budget for budget year 2003
5. Calculation of the local budget for budget year 2003

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	Not provided	Not provided	Personnel Goods & Services Maintenance Travel	50,000,000 40,000,000 30,000,000 20,000,000
Output	Local budget book for budget year 2003	630 books	Local budget book for budget year 2003	630 books
Outcome	Local budget book for budget year 2003	630 books	Number of budget books distributed to legislative, executive, and other parties needed	630 books
Benefit	Guideline/reference for work unit	31 work units	The number of work units receiving guideline/reference	31 work units
Impact	Local budget discipline	31 work units	Number of work units whose expenditures did not exceed their budgets	31 work units

Kota BukittinggiProgram

Development of biological agent technology

Activities

1. Composting agricultural waste with trichoderma ← **Activity Evaluated**
2. Development of IPAHA post

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	1. Human Resources SDM	8 farmer groups	1. Human Resources SDM	8 farmer groups
	2. Facilities:		2. Facilities:	
	▪ Agricultural waste	16 kg	▪ Agricultural waste	16 kg
	▪ Manure	4 tons	▪ Manure	4 tons
	▪ Urea-based fertilizer	32 kg	▪ Urea-based fertilizer	32 kg
	▪ SP-36 fertilizer	16 kg	▪ SP-36 fertilizer	16 kg
Output	Compost fertilizer	8,000 kg	Compost fertilizer	8,000 kg
	Conducting an evaluation and analysis of compost production	1 set	Conducting an evaluation and analysis of compost production	1 set
Outcome	1. Training on how to produce the compost	80 persons	1. Training on how to produce the compost	80 persons
	2. Present farmer group who produce the compost	16 farmer groups	2. Present farmer group who produce the compost	16 farmer groups
Benefit	The existence of a manure substitute	8 tons	The existence of a manure substitute	8 tons
Impact	Reduce soil density	25%	Reduce soil density	25%

Kota SamarindaProgram

Monitoring and control of the service provision system

Activities

1. Monitoring and control of operational and development activities ← **Activity Evaluated**
2. Conducting coordination and consultation both internally and externally of the department
3. Formulating and providing advice in respect of any problems that arise
4. Conducting direct monitoring and control in the field

Performance Indicator	Submitted		Alternative	
	Performance Measure	Performance Target	Performance Measure	Performance Target
Input	Department programs and activities for 2003	38 activities	Department programs and activities for 2003	38 activities
	Systems and procedures	None provided	Systems and procedures	None provided
	Laws and regulations	None provided	Laws and regulations	None provided
	Funding allocation	Rp. 26,032,761	Funding allocation	Rp. 26,032,761
	Period	1 year	Period	1 year
Output	Report on monitoring and control of operational and development activities	38 activities	Number of monitoring reports developed	10
	Formulating of responses to problems encountered	None provided		
Outcome	Controlling and directing departmental programs and activities	Minimum of 38 departmental programs	Number of departmental programs	Minimum of 38
Benefit	Improved efficiency in program implementation	20% in 2003	The percentage decrease in implementation time for each program	20% in 2003
Impact	Department programs and activities for 2003	38 activities	Department programs and activities for 2003	38 activities

	Systems and procedures	None provided	Systems and procedures	None provided
	Laws and regulations	None provided	Laws and regulations	None provided
	Funding allocation	Rp. 26,032,761	Funding allocation	Rp. 26,032,761
	Period	1 year	Period	1 year